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E.O. 12958: N/A

TAGS: ENRG ECON AFIN ABUD RS

SUBJECT: MOSCOW RESPONSE TO STATE 10743 FOR REQUIRED REPORTS TO

CONGRESS ON ENERGY

REF: STATE 10743

11. In response to action request in reftel, Embassy Moscow provides the following answers:

- ¶A. Energy issues in Russia are handled by various sections in Embassy Moscow and the constituent posts. In the Embassy, from the State Department, the Economic Section, the Environment, Science, and Technology Section, and the Executive Office all engage on energy matters. The Political/Economic Sections in the Consulates General in St. Petersburg, Yekaterinburg and Vladivostok handle energy issues from the regional perspective. The total number of State Department staff in all these sections, including LES, is 47 (15 in Econ, 13 in EST, 9 in EXEC, and 10 in relevant sections of CGs). In addition, the Department of Energy has two employees, an attache and an LES, in Moscow devoted to non-nuclear energy issues. The Department of Commerce's Commercial Service handles energy-related commercial support, primarily assisting U.S. companies interested in entering or expanding their business in the Russian energy market. The DOE energy attache has extensive experience specifically covering Russian and Eurasian energy
- ¶B. Time devoted to energy issues:

Economic Section:

1 Pol/Econ Officer -- 10%

1 LES Pol/Econ Assistant -- 10%

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1 Minister Counselor for Economic Affairs -- 20%
1 Deputy Minister Counselor for Economic Affairs -- 20%
1 Trade and Investment Unit Chief -- 20%
1 Economic Officer (Oil and Gas) -- 85%
1 Economic Officer -- 35%
1 OMS -- 10%
1 LES Economic Assistant -- 15%
1 LES Economic Assistant -- 15%
1 LES Economic Assistant -- 5%
1 LES Economic Assistant -- 5%
Environment, Science, and Technology (EST) Section:
1 EST Deputy Counselor -- 35%
1 EST Officer -- 65%
1 LES EST Assistant -- 50%
Executive Office:
1 Ambassador -- 10%
1 DCM -- 5%
1 OMS -- 5%
1 Interpreter -- 5%
CG St. Petersburg:
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### CG Vladivostok:

- 1 Pol/Econ Officer -- 20%
- 1 LES Economic Assistant -- 35%
- 1 LES Political Assistant -- 10%

# CG Yekaterinburg:

- 1 Pol/Econ Officer -- 10%
- ¶C. Brief descriptions of work performed:

#### Economic Section:

The Economic Minister Counselor and Deputy MC meet with a wide range of government and industry contacts, encouraging a more open and productive business climate for energy companies; monitor and report on economic developments; and direct the work of the section, including that described below.

The Trade and Investment Unit Chief meets with a wide range of government and industry contacts; monitors and reports on economic developments; and directs the work of the Unit, including those of the Economic Officer responsible solely for oil and gas issues.

The Oil and Gas Officer monitors and reports on the oil and gas sector in Russia, the world's largest producer and exporter of hydrocarbons; develops and maintains relevant government, industry, and NGO contacts.

The Economic Officer covering economic reform issues monitors and reports on developments in the power sector; and develops and maintains relevant contacts.

The Economic Section's OMS and LES Economic Assistants support the

work of the section by setting up appointments, conducting research, attending meetings, serving as translators and interpreters when needed, writing relevant reports, and developing and maintaining a wide range of contacts.

# EST Section:

The Deputy EST Counselor meets with a wide range of government contacts to engage them on climate change issues and encourage active participation in relevant multilateral fora; reports Russian views and drafts memos, talking points, etc., reflecting GOR and NGO approaches; and directs the work of the EST officer and LES.

EST officer monitors and reports on the evolution of the civilian nuclear sector in Russia, Russia's export of civil nuclear technology; maintains relevant government, industry, and NGO contacts; is the liaison for Embassy programs involving the Nuclear Regulatory Commission (NRC) and the Russian government; and coordinates with DOE office on all nuclear energy issues.

LES supports these activities by accompanying EST officers, performing research on selected issues, and maintaining continuous contact with GOR counterparts.

## Executive Office:

The Ambassador and DCM engage the Russian government at the highest levels to discuss U.S. and Russian domestic and international energy policies, and to advocate for a more transparent, efficient, and productive investment climate; meet with energy company senior executives to share perspectives on Russian and global energy issues; direct the activities of the entire Mission, including those of the sections relevant to this report. The Ambassador's OMS and interpreter support these activities.

# CG Vladivostok:

The Pol/Econ Officer and two LES monitor, analyze, and report on any and all political and economic developments in the region. This includes monitoring and reporting on: the Russian legal framework, developments related to the oil and gas sector, and developments in the environmental, nuclear, coal, and power generation fields.

They also develop and maintain relationships with individuals involved in the sector, including oil company employees, government officials, and representatives in the media.

# CG Yekaterinburg:

Pol/Econ Officer oversees one DOE FSN employee, who reports to Moscow's Department of Energy Attache. Oversight includes energy-related reporting, and support for VIP visits to the region from Washington and Moscow. Officer also regularly participates in weekly DVC with DOE, and outreach to Energy Department employees and contractors in the region.

# CG St. Petersburg:

Pol/Econ Officer and LES meet with energy company officials and industry experts; visit export terminals; meet with environmentalists to discuss ecological impact of pipelines, power plants, etc.; and report on energy issues as they impact NW Russia.

1D. State Department funds spent by post in FY 2007 on energy-related activities are as follows:

-- personnel: \$ 232,937 (\$65,179 for LES and \$167,758 for Americans)

-- program: \$2,897 (travel)